To: James O'Hara[OHara.James@epa.gov]; Windsor, Richard[Windsor.Richard@epa.gov]; Bob Perciasepe[Perciasepe.Bob@epa.gov]; Rivas-Vazquez, Victoria[Rivas-Vazquez.Victoria@epa.gov]; Thompson, Diane[Thompson, Diane@epa.gov]; Lozano, Jose[Lozano, Jose@epa.gov]; Bloomgren, David[Bloomgren.David@epa.gov]; Belknap, Andra[Belknap.Andra@epa.gov]; Delp,

Robert[Delp.Robert@epa.gov]; Cohen, David[Cohen.David@epa.gov]

From: Johnson, Alisha

Mon 2/4/2013 9:18:26 PM Sent:

Subject: REUTERS: Outgoing EPA chief convinced Obama serious on climate change

14:33 04Feb13

RTRS-INTERVIEW-Outgoing EPA chief convinced Obama serious on climate change

By John Shiffman, Valerie Volcovici and Patrick Rucker

WASHINGTON, Feb 4 (Reuters) - The departing chief of the U.S. Environmental Protection Agency, Lisa P. Jackson, says she cringes whenever she is asked if President Barack Obama is truly serious about confronting climate change.

Of course he is, she tells them. "I don't think you need clues. The president has been really clear ... I'm not sure how much clearer he could be."

And yet even Jackson herself was caught off guard last month, when sitting just steps from Obama during his second-term swearing-in, the president cited the threats posed by climate change so prominently in his inaugural address.

"Surprised? Of course. Because I did not know what he was going to say. But pleased? Absolutely," the EPA administrator told Reuters in a wide-ranging interview before she leaves office later this month.

For Jackson, 50, a former New Jersey state official with no national profile until Obama chose her to lead the EPA during his first term, the lengthy inaugural nod to climate change served as a satisfying coda to a tumultuous tenure marked by clashes with Republican lawmakers and agricultural communities.

Jackson's deepest regret, she said, is that she failed to reach out to rural, often conservative regions of the United States. As a result, she said, opponents were able to generate politically damaging rumors of looming regulatory crackdowns, such as a fictitious EPA plan to treat bovine excretions as dangerous pollutants.

"If I were starting again, I would from day one make a much stronger effort to do personal outreach in rural America," Jackson said. "Had I known that these myths about everything from cow flatulence to spilled milk could be seen as 'The EPA is coming to get you,' I would have spent more time trying to inoculate against that."

CHANGES BY RULE-MAKING, NOT LAWS

Jackson plans to leave office on Feb. 14. She cites among her achievements rules to limit carbon emissions from power plants for the first time, and having struck a deal to make U.S. cars more fuel efficient. Her signature achievement, she said, was the so-called endangerment finding that greenhouse gases pose a danger to human health, a formal declaration that paved the way for the agency to write the carbon-cutting rules.

"I always said we would make common sense steps forward," she said. "We wouldn't try to turn the world on its ear."

Jackson's tenure, though, was marked by repeated conflicts with some conservatives and Republicans who decried the new, more stringent, air and water regulations. The critics argued that these were not based on sound science, were onerous for business and detrimental to the

With Congress polarized and otherwise focused on budgetary issues, lawmakers appear

unlikely to consider comprehensive climate change legislation during Obama's second term.

For that reason, the next EPA administrator is likely to continue Jackson's approach, using the endangerment finding and other administrative avenues to further target greenhouse gas emissions, such as those from the country's coal-fired power plants.

Reuters reported on Friday that the White House is leaning toward Gina McCarthy, the current EPA assistant administrator for air and radiation, as Jackson's replacement. [ID:nL1N0B1IKV] Jackson declined to comment on possible successors, but said that whoever replaces her would at least enjoy a four-year head start on the Democratic regulatory agenda.

"The next administrator will have a bit more luxury, because we are not entirely done with those things, but in terms of working with the administration on climate and clean energy, on other things like clean water and toxins, there will be a little more discretion in terms of how the next administrator sets those priorities," Jackson said.

Jackson declined to discuss her private conversations with Obama on climate change or other pending environmental issues, including the proposed Keystone XL oil pipeline from Canada to the Gulf of Mexico, which awaits State Department approval.

She also declined to say which of the EPA proposals now awaiting final White House approval - including curbs on smog-causing ozone and rules to lower the sulphuric content of gasoline - might be finalized first.

Jackson, a New Orleans native with degrees in chemical engineering from Tulane and Princeton, was the first African-American to hold the top EPA post and made environmental justice a priority.

She said that after she leaves office, she will spend time with her family in the Washington area, but did not rule seeking political office in either New Jersey, where she is a former commissioner of environmental protection, or Louisiana.

CAUTIOUS SUPPORT FOR FRACKING

One of the largest emerging issues in rural America is the controversial practice of producing natural gas through a process known as hydraulic fracturing, or fracking.

Booming gas production has lifted the economy in several regions and lowered overall carbon emissions by displacing dirtier burning coal, but environmentalists fear that fracking can pollute groundwater and release methane into the air.

Each state is generally responsible for inspecting drilling operations, but EPA waded into the issue in 2011 by issuing a controversial draft report that fracking had contaminated groundwater at a site in Pavillion, Wyoming.

A major EPA research project into fracking's effects on water supplies is due in 2014, as well as final rules on issues including the disposal of waste water and the use of diesel chemicals in the process.

Jackson has cautiously supported fracking, so long as states and the industry follow a sound and safe approach.

"In between all the heat and noise around who should regulate it and how safe it is has come a renewed focus on the part of the industry to recognize that if they don't do this properly they will lose the trust of the American people in the communities where it is happening," she said.

"I don't think the insurance policy has to rest mostly, or entirely, with the federal government... It is not self-regulation. They need to be regulated, because it is an invasive practice. Fighting regulation and saying 'We can take care of ourself here' is...ultimately not a good path forward."

For Jackson, the effects of climate change have hit close to home. Her native New Orleans was shattered by Hurricane Katrina in 2005 - Jackson drove her mother, stepfather and sister out of the city as the storm hit - and her long-time home state of New Jersey was at the center of Superstorm Sandy's destructive path in late October.

These and other recent events have made it clear that not addressing climate change may be more costly than ignoring the problem, Jackson said.

"It brings home that if you had to deal with this on a more frequent basis, the more cost to our country in dollars and cents, in lives lost, in lost opportunity to move forward because we have to go back and rebuild all the time," she said. "It is horribly familiar for me. I have watched it happen in my hometown."

(Editing by Ros Krasny and David Brunnstrom)

((valerie.volcovici@thomsonreuters.com)(+1)(202)(898 8373)(Reuters Messaging:

valerie.volcovici.thomsonreuters.com@reuters.net))

Keywords: USA CLIMATE/JACKSON

For Related News, Double Click on one of these codes:[C] [D] [E] [M] [O] [T] [U] [OIL] [NAT] [UKI] [GRO] [MTL] [SOF] [CAN] [ELN] [G] [PSC] [COAM] [OILG] [REF] [USAWA] [INTER] [ENV] [POL] [NGS] [COAPWR] [COA] [OGTR] [ELG] [CA] [CMPNY] [REGS] [US] [WASH] [AWLQ] [WARM] [CO2] [PWR] [ENER] [ENEQ] [UTIL] [BACT] [COM] [NRG] [AMERS] [PIA] [GEN] [NSS] [LEN] [RTRS] [TRP.TO]

For Relevant Price Information, Double Click on one of these codes:<TRP.TO> Monday, 04 February 2013 14:33:23RTRS [nL1N0B31SZ] {EN}ENDS

John Shiffman Enterprise Correspondent Thomson Reuters 202-630-7003

www.reuters.com

This email was sent to you by Thomson Reuters, the global news and information company. Any views expressed in this message are those of the individual sender, except where the sender specifically states them to be the views of Thomson Reuters.